

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 041980

62

ORIGIN EA-14

INFO OCT-01 ISO-00 XMB-07 PM-07 EB-11 DODE-00 CIAE-00

INR-10 NSAE-00 RSC-01 L-03 MC-02 AID-20 COME-00 OMB-01

IGA-02 TRSE-00 /079 R

DRAFTED BY EXIM:JLENTZ/EA/PHL:RTWILLNER:EM

APPROVED BY EA/PHL:DCCUTHELL

EXIM:EYOUNG (PHONE)

EXIM:WGLICK (PHONE)

EA/EP:AGEBER

----- 090350

P 012336Z MAR 74

FM SECSTATE WASHDC

TO AMEMBASSY MANILA PRIORITY

LIMITED OFFICIAL USE STATE 041980

E.O. 11652: NA

TAGS: EFIN, RP

SUBJECT: EXIMBANK DENIAL LOCKHEED L-100 CREDITS

REF: MANILA 2150

1. EMBASSY SUMMARY OF EXIMBANK REASONS FOR DENIAL LOCKHEED' PC APPLICATION (PARA 2 REFTL) IS ACCURATE, ALTHOUGH OFFICIAL NOTICE TO LOCKHEED CONSISTED ONLY OF REFUSAL, AND EXPLANATION HAS BEEN PROVIDED ORALLY.

2. ALTHOUGH EXIMBANK DID APPROVE LEASE SALE OF ONE OF FOUR L-100'S FINANCED UNDER CREDIT E 4197, GOP'S WILLINGNESS TO DISPOSE OF THIS AIRCRAFT SHORTLY AFTER ACQUIRING IT CALLS SERIOUSLY INTO QUESTION URGENCY OF NEED FOR IT. MORE SERIOUS, HOWEVER, HAVE BEEN INDICATIONS GOP USING EXISTING L-100'S FOR MILITARY PURPOSES. EXIMBANK PRECLUDED BY LAW FROM FINANCING MILITARY EQUIPMENT TO DEVELOPING COUNTRIES, AND IS SUBJECT TO STRICT REVIEW BY CONGRESS IN THIS RESPECT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 041980

NON-MILITARY USE COVENANT REQUIRED OF ALL L-100 PURCHASERS IN

DEVELOPING COUNTRIES AND IS ESSENTIAL TO SUPPORT ANY CREDIT AUTHORIZATION. IN ABOVE CREDIT AGREEMENT GOP OBLIGATED IT-SELF TO USE AIRCRAFT ONLY FOR SPECIFIED CIVIL PURPOSES, WITH NO PROVISION FOR MILITARY USE. (SEE ENCLOSURE TO USHER/PURNELL LETTER OCTOBER 11, 1973.) IN THESE CIRCUMSTANCES EXIMBANK CONCLUDED ADDITIONAL COMMITMENT NOT FEASIBLE.

3. MELCHOR'S INDICATION OF "OVERLAPPING MILITARY AND CIVILIAN" MISSIONS FOR L-100'S BRINGS INTO QUESTION WHETHER GOP USE OF AIRCRAFT CONSONANT WITH TERMS OF EXIMBANK AUTHORIZATION. REQUEST EMBASSY DISCUSS THIS POINT WITH GOP AND REPORT SOONEST ON ACTUAL PURPOSES FOR WHICH AIRCRAFT BEING UTILIZED. EMBASSY SHOULD NOTE USE CONTRARY TO AGREEMENT COULD BE CONSIDERED AS DEFAULT UNDER ARTICLE VII (4) OF CREDIT AGREEMENT AND WOULD OF COURSE PRECLUDE EXIMBANK FROM FINANCING ADDITIONAL SUCH AIRCRAFT IN FUTURE. CASEY

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY AIRCRAFT, AIRCRAFT SALES, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 MAR 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE041980  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JLENTZ/EA/PHL:RTWILLNER:EM  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740373/aaaacqdb.tel  
**Line Count:** 79  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN EA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** MANILA 2150  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08-Aug-2002 by rowelle0>; APPROVED <08-Aug-2002 by MorefiRH>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXIMBANK DENIAL LOCKHEED L-100 CREDITS  
**TAGS:** EFIN, RP, XMB  
**To:** MANILA  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005